missing person after expiry of a period of 7 years following the month of his disappearance provided the claimants produce a proper and indisputable proof of death or a decree of the Court that the employee concerned should be presumed to be dead as laid down in Section 108 of the Indian Evidence Act.

Merger of ICICI with ICICI Bank

2934. SHRI C.M. IBRAHIM: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 1543 given in the Rajya Sabha on the 4th December, 2001 and state:

(a) the reasons and circumstances necessitating and warranting the merger of ICICI with ICICI Banks; and

(b) how this merger is likely to effect the interest of the investors and common depositers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) ICICI Bank has submitted a proposal to RBI on 25th October, 2001 for merger of ICICI with it. The main objective of the merger is to remain competitive in the market. RBI would consider the merger proposal on merit for taking a final decision.

Impact of terrorist attack in US on Indian Economy

†2935. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned, "America per Aatankwadi Hamlay Nay Vikassheel Deshon Main Garcebee Badhai" which appeared in "Hindustan", dated the 20th November, 2001;

(b) if so, what is Government's reaction thereto; and

(c) the details of effects of terrorist attack on the Indian Economy?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes sir. The news item refers to the observations made by the Finance Ministers at the Development Committee Meeting of the Boards of Governors of the World Bank and the International Monetary Fund held in Ottawa on November 18, 2001 under the chairmanship of the Finance Minister of India (Shri Yashwant Sinha). The Ministers reviewed the impact of the September 11, terrorist attacks and their aftermath on developing countries. They recognized that poverty in many developing countries was likely to worsen as these events have deepened the pre-existing global economic slowdown, which had already led to weaker exports and commodity prices, and have other more specific impacts; *e.g.*, increased refugee movements within countries and across borders; reduced private investment flows due to increased risk aversion in financial markets; reduced tourism revenues; and increased trade transaction costs.

(b) and (c) The longer term economic impact of the terrorist attack in USA and the subsequent war in Afghanistan on the Indian economy will depend upon the duration and intensity of the war and its impact on global demand and trade. There has been some effect of the war on Indian exports, stock markets, tourism, heightened risk aversion of foreign investors and the foreign exchange market. However, India's share in international trade and finance is marginal and the Government has adopted credible economic reforms with a focus on generation of employment and reduction of poverty. Mereover, in its mid-term review of the monetary and credit policy for the year 2001-02, announced in October 2001, the Reserve Bank of India has projected 5-6 per cent growth for the Indian economy for the year 2001-2002.